

Consumer buying behavior towards Online Pharmacy

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INTRODUCTION

- Changed scope of internet
- Size of India's e-commerce market in 2013 was around \$13 billion

[according to a joint report of KPMG and Internet and Mobile Association of India (IAMAI)]

- Indian retail consumers' "can't touch, won't buy" mentality
- Typical products marketed through Internet: books, electronics, travel service such as airline tickets, and even fashion now
- Drugs (both prescribed and OTC) are another product segment available to buy online

Benefits

- Lower prices
- Privacy/Anonymity
- Convenience
- Medical Information

Risks

- Unlicensed pharmacy : everything virtual
- Quickly changing prices/Additional fees
- Counterfeit, Substandard, Adulterated products
- Don't adequately safeguard health: failing to require a prescription

RESEARCH PROBLEM

- To understand the consumer buying behavior towards online pharmacy
- Investigating the consumer's intention to use Internet as a place to acquire goods and what drives this intention
- Topic of interest because a command of this can be crucial in terms of choosing the right marketing strategy, and so make business prosperous

OBJECTIVES

- To assess the current awareness and possibility of future interactions
- To study the criteria which influences purchase and non-purchase

RESEARCH METHODOLOGY

- Research Design:
Descriptive Research
- Research plan
Data source : Primary Data
Data type collection : Qualitative & Quantitative
City: Delhi NCR
Sample size: 100
- Research Instrument
Structured Questionnaire

- Sampling type
Purposive sampling

- Sampling method
Consumers of age groups 22 to 34 and both genders were selected as respondents
The survey was conducted in market places in Delhi NCR at 5 locations in total

- New Delhi (M Block GK-II, New friends colony)
- Gurgaon (Sector 14, Galleria DLF Phase 4)
- And Faridabad (Sector-15)

Respondents

Total of 100 respondents for study

Distribution was:

Gender	Number
Male	55
Female	45

Awareness



Awareness	Number of Respondents
Yes	65
No	35
Total	100

Respondents asked if they have heard of online pharmacies ??

Gender * Heard of online pharmacies? Cross tabulation

			Have you heard of online pharmacies?		Total
			Yes	No	
Gender	Male	Count	34	21	55
		% within Gender	61.8%	38.2%	100.0%
	Female	Count	31	14	45
		% within Gender	68.9%	31.1%	100.0%
Total		Count	65	35	100
		% within Gender	65.0%	35.0%	100.0%

Found 61.8% Males and 68.9% Females are aware

Current Purchase

		Frequency	Valid Percent
Valid	Yes	11	16.9
	No	54	83.1
	Total	65	100.0
Missing	System	35	
Total		100	

It was found that only 17% people have had made an actual purchase from online pharmacies

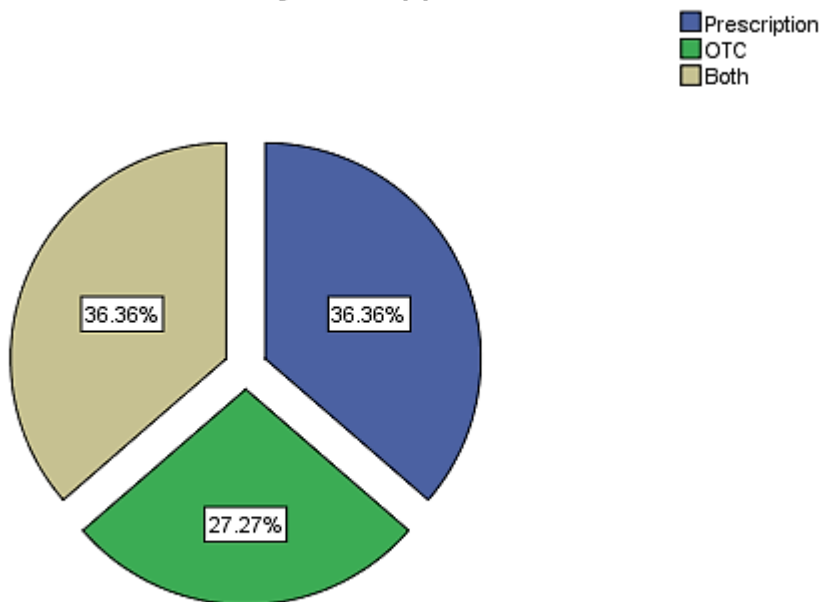
Also an open ended option got responses like
Lack of Cash on Delivery model in this segment like in other e commerce products
Cumbersome Return and Reordering method



what was actually shopped for amongst the basic offerings online pharmacies have to offer i.e. Prescription drugs; over the counter (OTC) products or both

An almost equal distribution amongst categories defined was observed.

What have you shopped from them?



Comparison with Other Products

		Frequency	Valid Percent
Valid	Yes	23	65.7
	No	12	34.3
	Total	35	100.0
Missing	System	65	
Total		100	

To explore weather the people are buying less online or its just online pharmacies which have risks or drawbacks associated:

66% respondents think that buying medicines and related products is different than buying any other product online.

Intention

Heard of online pharmacies? * Intend to try any? Cross tabulation					
			Do you intend to try any?		Total
			Yes	No	
Have you heard of online pharmacies?	Yes	Count	37	17	54
		% within Have you heard of online pharmacies?	68.5%	31.5%	100.0%

To assess the possibility of future interaction of respondents with online pharmacies:

Of the people who are aware and have not made any purchase till date, close to 69% people have an intention to try

Motivation

What motivates you (or would motivate you) to try one?

		Frequency	Valid Percent
Valid	Convenience	28	51.9
	Cheaper	3	5.6
	Information	17	31.5
	Privacy	4	7.4
	Other	2	3.7
	Total	54	100.0
Missing	System	46	
Total		100	



Responses indicate (close to 52%) Convenience of order and delivery will make them choose business over community pharmacy stores

Risk

		Frequency	Valid Percent
Valid	Delay	12	22.2
	Illegal website	4	7.4
	Fake product	34	63.0
	Other	4	7.4
	Total	54	100.0
Missing	System	46	
Total		100	

FINDINGS

- Awareness was found to be near medium with 65%, nothing specific to gender of consumer with both genders equally aware
- It was found low numbers of purchases are actually made (at 17%) considering the number of people aware
- Compared to shopping for other online products which is done by 66% of respondents, only 17% have made actual purchase on online pharmacies
- This comparison points towards existence of a product class risk for pharmacy offerings, as consumer is open to shop other products

- Risk of being supplied with fake products exists in mind of customers
- A high scope of interaction of customer and business exists as 69% respondents have an intention to try, which might determine measure of their further interactions
- Factor motivating a customer to interact with business would be
 - convenience of placing order (like user friendly process)
 - and delivery (like express options with same day delivery, packaging etc.)
- Prescription medicines and over the counter products contribute almost equally

LIMITATIONS

- The main limitation of study was smaller sample size, which led to even smaller sample in case of actual purchases. Also more detailed questionnaire can be used to establish similar findings



Thank-You

for listening